



Winston E. Calvert

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MISSOURI KANSAS ILLINOIS NEVADA SHANGHAI

May 4, 2012

Ms. Michelle Kerr
Remedial Project Manager
U.S. Environmental Protection Agency – Region 5
Superfund Division (SR-6J)
77 W. Jackson Blvd.
Chicago, IL 60604-3590

By e-mail: kerr.michelle@epa.gov

Re: USEPA General Notice and Information Request for the Chemetco Superfund Site in Hartford, Illinois – Totall Metal Recycling, Inc.

Dear Ms. Kerr:

This firm represents Totall Metal Recycling, Inc. ("Totall") relating to the Chemetco Site. This letter serves to transmit Totall's response to USEPA's Information Request and USEPA's General Notice Letter.

Totall was a third-party service provider to Chemetco and never had any property interest in any material that was sent to the Site. Totall had a contract with Chemetco under which it "agree[d] to accept from Chemetco such material as may be delivered to it by Chemetco and to process said material according to the specifications delivered to it by Chemetco from time to time." In accordance with this contract, Chemetco would send wire to Totall, and Totall would process that wire by stripping plastic material and disposing of that material at facilities other than Chemetco. Totall simply provided services to Chemetco in processing material owned by Chemetco that Chemetco sent to Totall for servicing. Totall was not a generator or transporter of materials containing hazardous substances sent to the Site. Nor did Totall own or operate the Site. Accordingly, under CERCLA and the Superfund Recycling Equity Act ("SREA"), Totall is not liable for conditions at the Site.

First, Totall is not an owner or operator of the Site. Totall is an Illinois corporation that has never had any ownership interest in Chemetco or control at the Site. As an independent company, Totall owned and maintained its own facilities, which were always physically separate from the Site. Totall had a contract with Chemetco, but that contract did not give Totall any influence or control over the Chemetco operations or environmental controls at the Site. There are simply no facts that would support your contention that Totall is potentially liable as an owner or operator.

Likewise, Totall is not liable as a "transporter" of hazardous substances to the Site. Totall processed material owned by Chemetco, but Chemetco delivered that material to Totall and transported that material back to the Site. Totall never acquired any property interest in the material Chemetco sent to Totall.

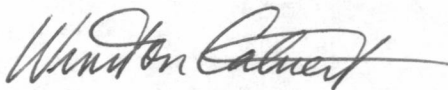
There are also no facts that could support a theory of arranger liability. As you know, CERCLA imposes liability on "any person who by contract, agreement, or otherwise arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, or hazardous substances owned or possessed by such person." 42 U.S.C. § 9607(a)(3). The statutory term "arrange" "implies action directed to a specific purpose." *Burlington Northern & Santa Fe Railway Co. v. United States*, 129 S. Ct. 1870, 1879 (2009). Therefore, a party is an "arranger" when it

"takes intentional steps to dispose of a hazardous substance." *Id.* Knowledge of a hazardous substance's disposal does not alone create liability—to be an "arranger," the defendant must have entered into the transaction with the specific intent "that at least a portion of the product be disposed of during the transfer process by one or more of the methods described in § 6903(3)." *Id.* at 1879-80; *Schiavone v. N.E. Utils. Serv. Co.*, 2011 WL 1106228 (D. Conn. Mar. 22, 2011); *Voggenthaler v. Maryland Square, LLC*, No. 2:08-1618, 2011 WL 693267, at *6 (D. Nev. Feb. 4, 2011); *Wells Fargo Bank, N.A. v. Renz*, No. 08-02561, 2011 WL 97649, at *4 (N.D. Cal. Jan. 2, 2011). Of course, Totall never owned any material that was sent to the Site; it is difficult to imagine how a company could have intended to dispose of hazardous substances at the Site when it never even sent hazardous substances to the Site. Because there are no facts demonstrating that Totall intended to dispose of hazardous substances in violation of CERCLA, Totall is not liable as an "arranger."

Finally, Totall is exempted from CERCLA liability by SREA because its business relationship with Chemetco consisted exclusively of providing services in the processes of recycling wire. Even if Totall "generated" the wire, SREA provides a broad exemption from CERCLA for those who participate in recycling of recyclable materials like wire. See 42 U.S.C. § 9627.

With these considerations in mind, Totall submits its enclosed response to the Section 104(e) Information Request. The documents produced with this response demonstrate that Totall's business relationship with Chemetco did not create any CERCLA liability, did not give Totall any control over Chemetco's operations or transportation, and that Totall never arranged the disposal of any material at the Chemetco Site. Because the requests were wide-ranging and had an expansive temporal scope, Totall's investigation and search for responsive documents and information continues. We will continue to update and supplement Totall's response as appropriate. However, based on the current information, Totall declines to participate in any response action to be conducted at the Site.

Best regards,



Winston E. Calvert

cc: Mr. Thomas Martin, Associate Regional Counsel (by e-mail: martin.thomas@epa.gov)

Response to Information Request

1. Provide the following information about your company ("Respondent"):
 - (a) The complete and correct legal name of your company.
 - (b) The name(s) and address(es) of the President and the Chairman of the Board, or other presiding officer of the company.
 - (c) The state of incorporation of the company and the company's agents for service.
 - (d) The name(s) of all subsidiaries, affiliates, or parent companies to your company.
 - (e) The state of incorporation and agents for service of process in the state of incorporation.
 - (f) The status of all subsidiaries, affiliates, or parent companies to your company.

RESPONSE: The complete legal name of the company is Totall Metal Recycling, Inc. ("Totall"). Totall was originally incorporated as Pioneer Warehouses, Inc. and conducted business as Transformat for several years.

Totall's President is Toben Suarez, 7621 Westmoreland, Saint Louis Missouri 63105. Totall is an Illinois corporation, whose registered agent is Patrick M. Flynn, 23 Public Square #440, Belleville, IL 62220. This information is reflected in the Certificate of Incorporation and Articles of Incorporation filed with the Illinois Secretary of State, enclosed herein.

Totall does not have a parent company. Although Totall has agreements with other companies, it has no formal affiliate companies. Totall is the parent company of a wholly-owned Colorado subsidiary corporation Top Brass, Inc. ("Top"). Top's President is also Toben Suarez.

2. Describe and provide any documents related to your company's business activities which resulted in sending material to Chemetco.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Totall had a contract with Chemetco under which it "agree[d] to accept from Chemetco such material as may be delivered to it by Chemetco and to process said material according to the specifications delivered to it by Chemetco from time to time." In accordance with this contract, Chemetco would send wire to Totall, and Totall would process that wire by stripping plastic material, and disposing of that material at facilities other than Chemetco. Totall simply provided services to Chemetco in processing material owned by Chemetco that Chemetco sent to Totall for servicing. Totall was not a generator or transporter of materials containing hazardous substances sent to the Site; nor did Totall own or operate the Site.

Relevant documents are enclosed with this response. However, this request is expansive in time and scope, and Totall will continue searching its records for responsive documents and information and will supplement as appropriate.

3. Describe and provide any documents related to your company's role at the Site, including what duties/involvement your company had at the Site.

RESPONSE: Totall did not have any role at the Site and had no duties or involvements at the Site except as a third-party service provider. Totall simply provided services to Chemetco in processing material owned by Chemetco that Chemetco sent to Totall for servicing. As an independent company, Totall owned and maintained its own facilities, which were always physically separate from the Site. Totall had a contract with Chemetco, but that contract did not give Totall any influence or control over the Chemetco operations or environmental controls at the Site. There are simply no facts that would support your contention that Totall is potentially liable as an owner or operator.

4. If the nature or size of Respondent's activities in relation to Chemetco changed over time, describe those changes and the dates they occurred.

RESPONSE: Between 1993 and 2001, Totall performed services for Chemetco pursuant to the enclosed contract. Obviously, after Chemetco ceased operations, Totall no longer provided services to Chemetco.

5. For each type of waste or material used in Respondent's operations, describe and provide documents relating to Respondent's contracts, agreements, or other arrangements for its disposal, treatment, trading, or recycling with Chemetco, including but not limited to whether Respondent controlled where waste sent to Chemetco warehouses was ultimately processed/recycled.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Totall had a contract with Chemetco under which it "agree[d] to accept from Chemetco such material as may be delivered to it by Chemetco and to process said material according to the specifications delivered to it by Chemetco from time to time." In accordance with this contract, Chemetco would send wire to Totall, and Totall would process that wire by stripping plastic material, and disposing of that material at facilities other than Chemetco. Totall simply provided services to Chemetco in processing material owned by Chemetco that Chemetco sent to Totall for servicing. Totall was not a generator or transporter of materials containing hazardous substances sent to the Site; nor did Totall own or operate the Site. Totall never had any ability to control where waste sent to Chemetco warehouses was ultimately processed or recycled.

6. If not already provided, specify the dates and circumstances when Respondent's waste or material was taken to the Site, and identify the companies or individuals who brought Respondent's waste/material to the Site. Provide any documents which support or memorialize your response.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Totall had a contract with

Chemetco under which it "agree[d] to accept from Chemetco such material as may be delivered to it by Chemetco and to process said material according to the specifications delivered to it by Chemetco from time to time." Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities.

7. Were transactions between your company and Chemetco and specifically the Site: 1) an outright sale; 2) subject to a written or verbal "tolling" agreement between the companies; or 3) reflected the "banking" of the transacted material in a metal account at the request of your company for return or other disposition at a later date?

RESPONSE: All transactions between Totall and Chemetco were provided under the service contract enclosed herewith and did not involve any tolling agreements or other similar arrangements.

8. Did your company have any influence over waste disposal or recycling activities at the Site? If so, how?

RESPONSE: Totall did not have any influence over waste disposal or recycling activities at the Site. Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Totall has never had any ownership interest in Chemetco or control at the Site. As an independent company, Totall owned and maintained its own facilities, which were always physically separate from the Site. Totall had a contract with Chemetco, but that contract did not give Totall any influence or control over the Chemetco operations or environmental controls at the Site.

9. Was any shipment of material sent to the Site by Respondent ever refused and/or returned? If so, describe this event in detail, including its cause and outcome.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities; thus Totall never "sent [material] to the Site."

10. Describe in detail the types of material that you sent for recycling, processing, or disposal at the Site. In your response, please also give the generic name of each type of materials shipped to the Site [e.g., scrap metal (including scrap automobiles), batteries, electronics, scrap paper, scrap plastic or scrap textile, etc.].
- (a) Identify whether the materials were delivered directly to the Site or were transshipped there from another intermediate delivery point. If applicable, describe each such delivery point.
 - (b) State whether any of the material was ever tested by your company and if so, whether the substances exhibited any of the characteristics of a hazardous waste identified in 35 Illinois Administrative Code 721, Subpart C or 40 C.F.R. § 261, Subpart C.

- (c) Describe what was done to materials once they were brought to the Site, including any further processing of the materials.
- (d) Provide any additional information and all documents that you believe are related to the type, nature and characteristics of the materials you sent to the Site.
- (e) List the years in which your company sent materials to Chemetco and/or its broker(s) for recycling, processing, or disposal.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities; thus Totall never "shipped [material] to the Site."

Questions and Requests for Documents Related to Scrap Metal

11. For the following questions which relate to transactions involving scrap metals, provide the requested information, and also provide copies of any documents that contain any information that is related to the response:
- (a) Did a market exist for the scrap metal listed in your response to No. 10 above? If so, describe the nature of such a market at the time of the transaction (possible uses, possible consumers, etc.) and the source of the commercial specification grade (e.g., Institute of Scrap Recycling Industries, Inc. (ISRI), Department of Defense, or wherever your company would find the grade published).
 - (b) What commercial specification grade did the scrap metal listed in your response to question No. 10 meet? Identify/list the commercial specification grades that each scrap metal identified in No. 9 met.
 - (c) At the time of the transaction(s) what was the intended disposition of the scrap metal listed in your response to question No. 10? Did this include burning as fuel, or for energy recovery, or incineration?
 - (d) After sale, transfer, delivery, recycling, or disposal, what portion of the scrap metal listed in your response to question No. 10 was to be made available for use as a feedstock for manufacturing of new saleable products? Explain how the portion identified in this answer was derived or calculated.
 - (e) Could the scrap metal listed in your response to question No. 10 have been used as a replacement or substitute for a virgin raw material? If so, provide details.
 - (f) Could any products made from the scrap metal listed in your response to question No. 10 have been used as a replacement or substitute for a product made, in whole or in part, from a virgin raw material? If so, provide details.
 - (g) Did your company melt the scrap metal listed in your response to question No. 10 before it was transported/delivered to the Site? If yes, describe the process used for melting the scrap metal.
 - (h) Describe the source of or the process that produced the materials sent to the Site.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities.

12. Did any of the scrap material sent to the Site contain other material(s) incident to or adhering to the scrap? If so, describe in detail.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities.

13. Did any of the material sent to the Site contain wire or wiring? If so, was the wire's insulation first stripped before being shipped to or accepted at the Site, after being received at the Site, or was the wire not stripped?

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities.

14. Did the material shipped include drums or shipping containers? If so, specify the generators of the drums or shipping containers, the capacity of such drums or containers and whether such containers ever contained liquid of any sort. If so, specify the type of liquid and whether such liquids contained wastes of any kind.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities.

15. Describe all efforts (i.e., Site visits) taken by your company to determine what would be done with the scrap metal identified in your response to question No. 10.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Chemetco delivered material to Totall and Chemetco retrieved that material from Totall's facilities. Although Totall had no control over Chemetco, the Site, or the processes used by Chemetco, Totall was aware of Chemetco's business and general processes. Some of Totall's officers were present on the Site on various occasions. In addition, some of Totall's officers were also employees of Chemetco at various times.

Questions and Request for Documents Related to Electrical and Electronic Equipment

16. For the following questions which relate to transactions involving electrical and electronic equipment (e.g., transformers, capacitors, white goods, computers, monitors, cables, circuit boards, or other electrical equipment), provide the requested information, and also provide copies of any documents that contain any information that is related to the response:

- (a) List an estimated number of shipments of electrical and electronic equipment your company sent to the Site on an annual basis and list the years. In this list, include the type and quantity, volume and weight of electrical and electronic equipment sent;

- (b) At the time of the transaction(s), what was the intended disposition of the electrical and electronic equipment listed in your response to question 15(a)? Did the intended disposition include burning as fuel or for energy recovery or incineration?

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was "sent to the Site."

17. With respect to waste or materials sent to the Site, at the time of the transactions, specify the measures you took to determine the actual means of treatment, disposal, recycling, or other uses of the material. Provide information you had and any documents relating to the treatment, recycling and disposal practices of Chemetco at the Site. What assurances, if any, were you given by the owner/operator of the Site regarding the proper handling and ultimate disposition of the materials you sent there, as well as its compliance with applicable environmental laws? Include in your response any correspondence to and from Chemetco relating to this topic and dates the measures were taken or assurances were given.

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was "sent to the Site." Although Totall had no control over Chemetco, the Site, or the processes used by Chemetco, Totall was aware of Chemetco's business and general processes. Some of Totall's officers were present on the Site on various occasions. In addition, some of Totall's officers were also employees of Chemetco at various times. Totall was aware that Chemetco was heavily regulated and routinely inspected by the USEPA and IEPA and were under their supervision throughout the period of time in which Totall provided services to Chemetco.

18. What efforts and when, if any, did you take to investigate the nature of the operations conducted at the Site and the environmental compliance of the Site prior to selling, transferring, delivering disposing of, trading, or arranging for the treatment, recycling, or disposal of any materials?

RESPONSE: Totall was a third-party service provider to Chemetco and never had any property interest in any of material that was sent to the Site. Although Totall had no control over Chemetco, the Site, or the processes used by Chemetco, Totall was aware of Chemetco's business and general processes. Some of Totall's officers were present on the Site on various occasions. In addition, some of Totall's officers were also employees of Chemetco at various times. Totall was aware that Chemetco was heavily regulated and routinely inspected by the USEPA and IEPA and were under their supervision throughout the period of time in which Totall provided services to Chemetco.

19. Provide all information in your possession that shows that you were in compliance with applicable federal environmental regulations or standards regarding the recycling of materials, particularly Section 127 of CERCLA, 42 U.S.C. § 9627, sent to the Chemetco Site.

RESPONSE: Totall has always maintained its compliance with applicable environmental regulations. I do not have any non-privileged document that would independently confirm that Totall was in compliance with environmental regulations or standards regarding recycling of materials, but Totall's business, the responses to the above questions, and the records enclosed herein demonstrate that Totall is exempted from CERCLA liability under 42 U.S.C. § 9627, and other applicable laws and regulations.

20. Provide all information in your possession that shows that you were in compliance with applicable federal environmental regulations or standards regarding scrap metal promulgated under Resource Conservation and Recovery Act (RCRA).

RESPONSE: Totall has always maintained its compliance with applicable environmental regulations. I do not have any non-privileged document that would independently confirm that Totall was in compliance with environmental regulations or standards regarding recycling of materials

21. Provide all RCRA Identification Numbers issued to Respondent by EPA or a state for Respondent's operations.

RESPONSE: There is no RCRA Identification Number issued to Totall by EPA or a state for its operations.

22. List all federal and state environmental laws and regulations under which Respondent has reported to federal or state governments, including but not limited to: Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., (TSCA); Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Sections 1101 et seq., (EPCRA); and the Clean Water Act (the Water Pollution Prevention and Control Act), 33 U.S.C. Sections 1251 et seq.

RESPONSE: Totall has not submitted formal written reports to federal or state governments under any federal or state environmental laws or regulations.

23. Identify the federal and state offices to which such information was sent. State the years during which such information was sent/filed.

RESPONSE: Not applicable.

24. If you have reason to believe that there may be persons able to provide a more detailed or complete response to any question contained herein or who may be able to provide additional responsive documents, identify such persons and the additional information or documents that they may have.

RESPONSE: I do not believe that there are other persons better able to provide more detailed or complete responses. If I become aware of any, I will supplement this response.

25. If any of the documents solicited in this information request are no longer available, please indicate the reason why they are no longer available. For each and every question

contained herein, if information or documents responsive to this Information Request are not in your possession, custody or control, then identify the persons from whom such information or documents may be obtained. If the records were destroyed, provide us with the following:

- (a) the document retention policy between 1970 and 2001;
- (b) a description of how the records were destroyed (burned, trashed, etc.) and the approximate date of destruction;
- (c) a description of the type of information that would have been contained in the documents;
- (d) the name, job title and most current address known by you of the person(s) who would have produced these documents, the person(s) who would have been responsible for the retention of these documents; the person(s) who would have been responsible for the destruction of these documents; and the person(s) who had and/or still may have the originals or copies of these documents; and
- (e) the names and most current address of any person(s) who may possess documents relevant to this inquiry.


RESPONSE: Totall did not have a formal retention policy between 1993 and 2001. Over the course of the past nineteen years, certain documents may have been unintentionally destroyed or have left Totall's possession, custody, or control. I am not aware of any specific documents that were destroyed by Totall or its employees that would be responsive to this request or that would pertain to the Chemetco Site. If I become aware of any such documents, I will supplement this response.

26. Please state the name, title and address of each individual who assisted or was consulted in the preparation of the response to this information request.

RESPONSE: Three individuals assisted or consulted with me in preparing this response: Patrick M. Flynn, Attorney, Flynn & Guymon, 23 Public Square, Suite 440, Belleville IL 62220; John Suarez, 37 Upper Ladue Road, St. Louis, MO 63124; George von Stamwitz, Attorney, Armstrong Teasdale LLP, 7700 Forsyth Blvd, Suite 1800, St. Louis, MO 63105; and Winston Calvert, Attorney, Armstrong Teasdale LLP, 7700 Forsyth Blvd, Suite 1800, St. Louis, MO 63105.

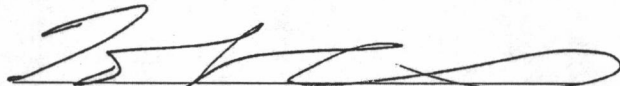
VERIFICATION

I certify under penalty of law that this document and all enclosures were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based upon my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

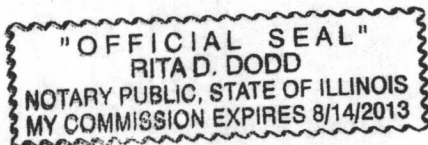

Toben Suarez

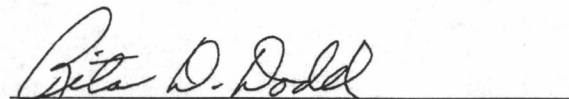
ST. LOUIS COUNTY)
) SS
STATE OF MISSOURI)

Toben Suarez, of lawful age, and being duly sworn on his oath, states that the foregoing response and the facts contained therein are true and correct to the best of his knowledge, information, and belief.


Toben Suarez

On this 3 day of MAY, 2012 before me appeared Toben Suarez, who being duly sworn on his oath, stated that the foregoing response and the facts stated therein were true and correct to best of his personal knowledge.




Notary Public

My Commission Expires:

*** TOTAL PAGE 01 ***

S/S

CONTRACT

This agreement is made by and between CHEMETCO, INC. (Chemetco) and PIONEER WAREHOUSES, INC. (Transformit);

WHEREAS, each of the parties are desirous of entering into a contract for the processing of material owned by Chemetco;

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties agree to the following terms:

1. This contract shall commence December 1, 1998 and shall continue for a period of five (5) years.

2. During the term of this agreement, Transformit agrees to accept from Chemetco such material as may be delivered to it by Chemetco and to process said material according to the specifications delivered to it by Chemetco from time to time. Chemetco agrees to pay Transformit 7½¢ per pound for all material processed hereunder by Transformit for Chemetco. Chemetco agrees to guarantee payment to Transformit for processing a monthly minimum of 900,000 pounds of material.

3. Nothing contained in this agreement shall be construed to constitute either party as a partner, employee or agent of the other, nor shall either party have any authority to bind the other in any respect, it being intended that each shall remain an independent contractor responsible for its own actions.

4. This agreement contains the entire understanding of the parties and supersedes all previous verbal and written agreements. There are no other agreements, representations or warranties not set forth herein.

5. This agreement shall be construed in accordance with and governed by the laws of the State of Illinois.

6. Upon the request of either party to amend any of the terms hereunder, the parties agree to negotiate in good faith with each other to reach an amicable resolution of any requested amendment.

7. The provisions of this agreement shall be binding upon and inure to the benefit of each of the parties and their respective successors and assigns.

December 1, 1998.

CHEMETCO, INC.

By Bill Cassidy

ATTEST: Aldine Stuart


PIONEER WAREHOUSES, INC.

By John S. ...

ATTEST: Bill ...

**SCHOWALTER & JABOURI, P.C.****Certified Public Accountants****11878 Gravois Road
St. Louis, Missouri 63127
(314) 849-4999 FAX (314) 849-3486**Email: jdunham@sicpa.com
Web site: <http://www.sicpa.com>

Facsimile Transmittal

TO	Mr. William C. Cassidy	FAX NUMBER	(618) 877-0597
COMPANY	Totall Metal	PHONE NUMBER	(618) 920-2140
FROM:	Jon L. Dunham 	DATE:	6/6/2003
RE:	Contract	TOTAL NO. OF PAGES INCLUDING COVER	4

<input checked="" type="checkbox"/> URGENT	<input checked="" type="checkbox"/> FOR REVIEW	<input type="checkbox"/> PLEASE COMMENT	<input type="checkbox"/> PLEASE REPLY	<input type="checkbox"/> PLEASE RECYCLE
--------------------------------------------	------------------------------------------------	-----------------------------------------	---------------------------------------	-----------------------------------------

MESSAGE

Following is a copy of the contract we discussed.

OUR COMMITMENT:**"TO PROVIDE THE SUPERIOR QUALITY OF SERVICE OUR CLIENTS EXPECT"**

- | | |
|----------------------------------|----------------------------------------------------|
| ✓ Mergers & Acquisitions | ✓ Audit & Accounting Services |
| ✓ Litigation Support Services | ✓ Business & Individual Tax Preparation & Planning |
| ✓ Strategic Planning | ✓ Computer Software/Hardware Support |
| ✓ Retirement Plan Administration | ✓ Estate Tax Planning |

Schowalter & Jabouri, P.C. was ranked one of St. Louis' Top 20 Accounting Firms in the October 2002 issue of the St. Louis Business Journal

CONFIDENTIAL

NOTICE: This message is intended only for the individual or entity to which it is addressed, and may contain information that is privileged, confidential, or exempt from disclosure under applicable federal or state law. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you received this transmittal in error, please notify us immediately.

AMENDMENT TO CONTRACT DATED DECEMBER 1, 1998

WHEREAS, CHEMETCO, INC. (Chemetco) and PIONEER WAREHOUSES, INC. (Transformit) have previously entered into an agreement dated December 1, 1998 in reference to the processing of various materials from Chemetco to Transformit; and

WHEREAS, the parties have negotiated pursuant to the provisions of Paragraph 6 of the original agreement and now desire to amend Paragraph 2 of the original agreement; and

WHEREAS, the parties believe it is in their mutual best interest to amend the original agreement;

NOW, THEREFORE, in consideration of the mutual promises between the parties, they hereby agree as follows:

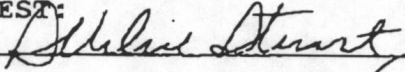
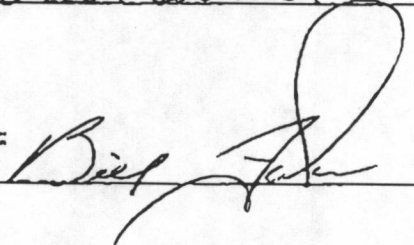
1. Paragraph 2 of the original agreement is hereby revised to read as follows:

During the term of this agreement, Transformit agrees to accept from Chemetco such material as may be delivered to it by Chemetco and to process said material according to the specifications delivered to it by Chemetco from time to time. Chemetco agrees to pay Transformit the processing fees set forth on the attached Exhibit "A" which are by reference made a part hereof; the parties further agree that the price list attached hereto may be amended between them from time to time pursuant to a written agreement signed by any officer of the respective parties. Chemetco agrees to guarantee payment to Transformit for processing a monthly minimum of 900,000 pounds of material.

2. In all other respects, the original agreement of December 1, 1998 shall remain in full force and effect.

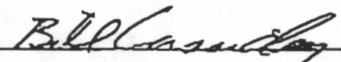
May 1, 1999.

ATTEST:

CHEMETCO, INC.

BY



PIONEER WAREHOUSES, INC.

BY



TRANSFORMIT, INC.
PROCESSING FEES BY MATERIAL TYPE

<u>MATERIAL TYPE</u>	<u>PRICE PER POUND</u>
ACR	\$0.075
AL RAD	\$0.075
#1 WIRE	\$0.075
#2 WIRE	\$0.075
GREASE WIRE	\$0.110
CIRCUIT BOARD TRIM	\$0.075
ALUMINUM WIRE	\$0.075
UPGRADED #2	\$0.110
FIGURE 8 WIRE	\$0.110
REEFER ENDS	\$0.110
IRONY ACR	\$0.110
HARNESS WIRE	\$0.110
BARRELS	\$0.030
MAG STEEL	\$0.040
BREAKAGE	\$0.040
ACSR WIRE	\$0.075
DOWNGRADED #1	\$0.075
DOWNGRADED ACR	\$0.110
BEC	\$0.075

** TOTAL PAGE 01 **

CONTRACT

This agreement is made by and between CHEMETCO, INC. (Chemetco) and PIONEER WAREHOUSES, INC. (Transformit);

WHEREAS, each of the parties are desirous of entering into a contract for the processing of material owned by Chemetco;

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties agree to the following terms:

1. This contract shall commence December 1, 1998 and shall continue for a period of five (5) years.

2. During the term of this agreement, Transformit agrees to accept from Chemetco such material as may be delivered to it by Chemetco and to process said material according to the specifications delivered to it by Chemetco from time to time. Chemetco agrees to pay Transformit 7½¢ per pound for all material processed hereunder by Transformit for Chemetco. Chemetco agrees to guarantee payment to Transformit for processing a monthly minimum of 900,000 pounds of material.

3. Nothing contained in this agreement shall be construed to constitute either party as a partner, employee or agent of the other, nor shall either party have any authority to bind the other in any respect, it being intended that each shall remain an independent contractor responsible for its own actions.

4. This agreement contains the entire understanding of the parties and supersedes all previous verbal and written agreements. There are no other agreements, representations or warranties not set forth herein.

5. This agreement shall be construed in accordance with and governed by the laws of the State of Illinois.

6. Upon the request of either party to amend any of the terms hereunder, the parties agree to negotiate in good faith with each other to reach an amicable resolution of any requested amendment.

7. The provisions of this agreement shall be binding upon and inure to the benefit of each of the parties and their respective successors and assigns.

December 1, 1998.

ATTEST:

ATTEST:

CHEMETCO, INC.

By

PIONEER WAREHOUSES, INC.

By

TRANSFORMIT, INC
INCOME STATEMENT
AUGUST 31, 1996 * Department - All

	THIS MONTH	YEAR-TO-DATE
REVENUE		
Processing Fees	156,806.00	156,806.00
TOTAL REVENUE	\$156,806.00	\$156,806.00
EXPENSES		
Contract Wages	12,067.00	12,067.00
Production Wages	56,514.97	56,514.97
Production Salaries	10,629.00	10,629.00
TOTAL COMPENSATION	\$79,210.97	\$79,210.97
Operating Supplies	19,223.14	19,223.14
TOTAL MATERIALS	\$19,223.14	\$19,223.14
N.O.R. Material	6,839.22	6,839.22
Major Operating Repair	11,990.46	11,990.46
TOTAL MAINTENANCE	\$18,829.68	\$18,829.68
Water	861.33	861.33
Electricity	23,772.40	23,772.40
TOTAL UTILITIES	\$24,633.73	\$24,633.73
Equipment Rent & Lease	4,315.95	4,315.95
Communication	686.39	686.39
Print & Office Supply	982.70	982.70
Employment Expenses	731.00	731.00
TOTAL ADMINISTRATION	\$2,400.09	\$2,400.09
TOTAL EXPENSES	\$148,613.56	\$148,613.56
NET INCOME BEFORE TAXES	\$8,192.44	\$8,192.44
NET INCOME AFTER TAXES	\$8,192.44	\$8,192.44

TRANSFORMIT, INC
INCOME STATEMENT
JULY 31, 2000 * Department - All

	THIS MONTH	YEAR-TO-DATE
REVENUE		
Processing Fees	3,073.80	1,587,647.52
TOTAL REVENUE	\$3,073.80	\$1,587,647.52
EXPENSES		
Contract Wages	1,400.00	21,812.75
Production Wages	4,707.85	246,113.89
Production Salaries	17,082.91	139,766.47
TOTAL COMPENSATION	\$23,190.76	\$407,693.11
Operating Supplies	2,336.60	92,450.54
TOTAL MATERIALS	\$2,336.60	\$92,450.54
N.O.R. Material	2,133.61	59,612.58
Periodic Maintenance	2,044.00	56,286.09
Major Operating Repair	1,951.67	52,096.81
TOTAL MAINTENANCE	\$6,129.28	\$167,995.48
Water	71.39	664.94
Electricity	52.34	142,226.14
TOTAL UTILITIES	\$123.73	\$142,891.08
Equipment Rent & Lease	5,885.00	71,120.00
Communication	229.51	4,457.20
Print & Office Supply	168.00	1,024.26
Employment Expenses	100.00	5,636.75
Professional Services	0.00	4,242.55
Environmental	0.00	1,296.25
TOTAL ADMINISTRATION	\$497.51	\$16,657.01
Insurance	1,141.00	12,877.18
Financial Expenses	9,018.20	101,632.02
Depreciation	28,161.24	337,934.88
TOTAL EXPENSES	\$76,483.32	\$1,351,251.30
NET INCOME BEFORE TAXES	\$73,409.52-	\$236,396.22
NET INCOME AFTER TAXES	\$73,409.52-	\$236,396.22

Transformit

Granite City, IL

Invoice

Chemetco, Inc.
Hartford, IL

Nov 2000

Material:	Usedwt	Price per Lb	Total
Barrels	30,540	\$0.030	\$916.20
Grand Total	30,540		\$916.20

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

INV. NO.	INV. DATE	AMOUNT	DISC.	NET AMOUNT
SEP2000	SEP 2000 10/01/00	\$3,369.60		\$3,369.60
OCT2000	OCT 2000 10/31/00	\$3,288.00		\$3,288.00



Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

80-49/815

No. 45997

PAY

TO THE ORDER OF

*****6,657.60*****

DATE

11/07/00

DOLLARS \$

*****6,657.60

OPERATING ACCOUNT

AUTHORIZED SIGNATURE

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040

⑈045997⑈ ⑆081500493⑆

350702706⑈

Transformit

Granite City, IL

Invoice

Chemetco, Inc.
Hartford, IL

Oct 2000

Material:	Usedwt	Price per Lb	Total
Barrels	109,600	\$0.030	\$3,288.00
Grand Total	109,600		\$3,288.00

Transformit

Granite City, IL

Invoice

Chemetco, Inc.
Hartford, IL

Sep 2000

Material	Usedwt	Price per Lb	Total
Barrels	112,320	\$0.030	\$3,369.60
Grand Total	112,320		\$3,369.60

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

INV. NO.	INV. DATE	AMOUNT	DISC.	NET AMOUNT
SEP2001	SEP 2001 9/30/01	\$42,381.89		\$42,381.89
AUG2001	AUG2001 8/31/01	\$27,229.54		\$27,229.54



Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

80-49/815

No. 47572

PAY
TO THE ORDER OF

*****69,611.43*****

DATE 10/16/01

DOLLARS \$ ***69,611.43

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040

OPERATING ACCOUNT


AUTHORIZED SIGNATURE

⑈047572⑈ ⑈081500493⑈ 350702706⑈

FAXED
10/1/01

Transformit

Granite City, IL

Invoice

Chemetco, Inc.
Hartford, IL

Sep 2000

Material:	Usedwt	Price per Lb	Total
#2 Wire	857,110	\$0.075	\$64,283.25
ACR	917,187	\$0.075	\$68,789.03
Al Rad	367,115	\$0.075	\$27,533.63
Barrels	27,540	\$0.030	\$826.20
Downgraded #1	21,877	\$0.075	\$1,640.78
Downgraded AC	816	\$0.110	\$89.76
Grease Wire	1,084	\$0.110	\$119.24
Irony ACR	56,779	\$0.110	\$6,245.69
Grand Total	2,249,508		\$169,527.57

Rec'd 1 9/30
2 10/12
3 10/19
4 10/23

4 PAYS

42,381.89
42,381.89
42,381.89
42,381.89
169,527.56

Chemetco, Inc.
P.O. BOX 8 • HARTFORD, ILLINOIS 62048

INV. NO.	INV. DATE	AMOUNT	DISC.	NET AMOUNT
MAY 2001		\$6,510.90		



Chemetco, Inc.
P.O. BOX 8 • HARTFORD, ILLINOIS 62048

80-49/815

No. 46952

PAY
TO THE ORDER OF *****6,510.90*****

DATE 6/08/01

DOLLARS \$ *****6,510.90

OPERATING ACCOUNT

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040


AUTHORIZED SIGNATURE

⑈046962⑈ ⑆081500493⑆ 350702706⑈

TRANSFORMIT

2720 Missouri Avenue • Granite City, IL 62040
(618) 452-5600 • Fax (618) 452-5614

May 31, 2001

Chemetco
Hartford, IL

To bill you for materials shipped to plant in the month of MAY, 2001

ACRS 19,580 lbs @ .075 = \$1,468.50

Barrels 168,080 lbs @ .03 = \$5,042.40

TOTAL \$6,510.90

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

FEB 2001

INV. NO.

INV. DATE

AMOUNT

\$5,571.00

DISC.

NET AMOUNT



Commerce Bank^{NA}
Hannibal, Missouri

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

46543

80-49/815

No.

3/07/01

*****5,571.00*****

DATE

****5,571.00

PAY
TO THE ORDER OF

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040

DOLLARS \$

OPERATING ACCOUNT

AUTHORIZED SIGNATURE

⑈046543⑈ ⑆081500493⑆ 350702706⑈

February 28, 2001

**TRANSFORMIT
2720 MISSOURI AVE
GRANITE CITY, IL 62040**

FEBRUARY 2001 INVOICE

**TO: CHEMETCO
HARTFORD, IL**

**TO INVOICE YOU FOR 185,700 POUNDS OF BARRELS @ 3
CENTS PER POUND = \$5,571.00**

Chemetco, Inc.
P.O. BOX 8 • HARTFORD, ILLINOIS 62048

INV. NO.	INV. DATE	AMOUNT	DISC.	NET AMOUNT
JAN2001	JAN2001 1/31/01	\$2,264.40		\$2,264.40



Chemetco, Inc.
P.O. BOX 8 • HARTFORD, ILLINOIS 62048

80-49/815

No.46622

PAY
TO THE ORDER OF *****2,264.40*****

DATE 3/21/01

DOLLARS \$ *****2,264.40

OPERATING ACCOUNT

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040

[Signature]

AUTHORIZED SIGNATURE

⑈046622⑈ ⑈081500493⑈ 350702706⑈

JANUARY 31, 2001

**Transformit
2720 Missouri Ave
Granite City, IL 62040**

JANUARY 2001 INVOICE

**To: Chemetco
Hartford, IL**

To bill you for 75,480 pounds of barrels @ 3 cents per pound =
\$2,264.40

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62046

INV. NO.	INV. DATE	AMOUNT	DISC.	NET AMOUNT
DEC2000	DEC 2000 12/31/00	\$4,025.40		\$4,025.40

**Chemetco, Inc.**

P.O. BOX 8 • HARTFORD, ILLINOIS 62046

BC-49/R15

No. 46311

PAY
TO THE ORDER OF *****4,025.40*****

DATE 1/11/01

DOLLARS \$*****4,025.40

OPERATING ACCOUNT

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040

AUTHORIZED SIGNATURE

⑈046311⑈ ⑈081500493⑈ 350202706⑈

Transformit

Granite City, IL

Invoice

Chemetco, Inc.
Hartford, IL

Dec 2000

Material:	Usedwt	Price per Lb	Total
Barrels	134,180	\$0.030	\$4,025.40
Grand Total	134,180		\$4,025.40

**Chemetco, Inc.**

P.O. BOX 8 • HARTFORD, ILLINOIS 62018

801 49/815

No. 46149

PAY

TO THE ORDER OF

*****916.20*****

DATE 12/10/00

DOLLARS \$ *****916.20

OPERATING ACCOUNT

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040

AUTHORIZED SIGNATURE

⑈046149⑈ ⑆081500493⑆ 350702706⑈

Transformit

Granite City, IL

not paid

Invoice

Chemetco, Inc.
Hartford, IL

Aug 2000

Material:	Usedwt	Price per Lb	Total
#2 Wire	702,915	\$0.075	\$52,718.63
ACR	749,327	\$0.075	\$56,199.53
Grand Total	1,452,242		\$108,918.15

*rec'd 1 9/30
2 10/12
3 10/14
4 10/23*

*4 PAYS e 27,229.54 ea
27,229.54
27,229.54
27,229.53
108,918.15*

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

INV. NO.	INV. DATE	AMOUNT	DISC.	NET AMOUNT
JUL2001	JUL 2001 7/31/01	\$53,854.50		\$53,854.50



Commerce Bank^{NA}
Hannibal, Missouri

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

80-49/815

No. 47357

PAY
TO THE ORDER OF

*****53,854.50*****

DATE 7/13/01

DOLLARS \$ 53,854.50

OPERATING ACCOUNT

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040


AUTHORIZED SIGNATURE

⑈047357⑈ ⑆081500493⑆ 350702706⑈

Transformit

Granite City, IL

Invoice

Chemetco, Inc.
Hartford, IL

Jul 2000

Material:	Usedwt	Price per Lb	Total
#2 Wire	62,499	\$0.075	\$4,687.43
ACR	486,761	\$0.075	\$36,507.08
Al Rad	156,240	\$0.075	\$11,718.00
Barrels	31,400	\$0.030	\$942.00
Grand Total	736,900		\$53,854.50

Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

INV. NO.	INV. DATE	AMOUNT	DISC.	NET AMOUNT
06	JUNE 2001 6/29/01	\$23,948.70		\$23,948.70



Chemetco, Inc.

P.O. BOX 8 • HARTFORD, ILLINOIS 62048

80-49/815

No. 7123

PAY
TO THE ORDER OF *****23,948.70*****

DATE 7/17/01

DOLLARS \$ ***23,948.70

OPERATING ACCOUNT

TRANSFORMIT
2720 MISSOURI AVENUE
GRANITE CITY, IL 62040


AUTHORIZED SIGNATURE

⑈047123⑈ ⑆081500493⑆

350702706⑈

TTRANSFORMIT

2720 Missouri Avenue • Granite City, IL 62040
(618) 452-5600 • Fax (618) 452-5614

Invoice 06

June 29, 2001

Chemetco
Hartford, IL

To bill you for materials shipped to the plant in the month of June, 2001.

ACR's	247,884 lbs @ 0.075	\$18,591.30
Barrels	178,580 lbs @ 0.03	5,357.40
		<hr/>
	Total	\$23,948.70